

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

NEW ENGLAND CARPENTERS HEALTH)
BENEFITS FUND, PIRELLI ARMSTRONG)
RETIREE MEDICAL BENEFITS TRUST;)
TEAMSTERS HEALTH & WELFARE FUND)
OF PHILADELPHIA AND VICINITY;)
PHILADELPHIA FEDERATION OF)
TEACHERS HEALTH AND WELFARE)
FUND; DISTRICT COUNCIL 37, AFSCME -)
HEALTH & SECURITY PLAN; JUNE)
SWAN; MAUREEN COWIE and BERNARD)
GORTER,)

Plaintiffs,)

v.)

FIRST DATABANK, INC., a Missouri)
corporation; and McKESSON)
CORPORATION, a Delaware corporation,)

Defendants.)

C.A. No. 1:05-CV-11148-PBS

**SUPPLEMENTAL DECLARATION OF STEVE W. BERMAN IN SUPPORT OF CLASS
PLAINTIFFS' REPLY TO McKESSON'S RESPONSE TO THE COURT'S INQUIRIES
AT THE NOVEMBER 13, 2007 HEARING ON CLASS CERTIFICATION ISSUES**

I, Steve W. Berman, hereby declare that:

1. I am a partner of Hagens Berman Sobol Shapiro LLP, resident in its Seattle, Washington, office, and I am one of counsel for the Plaintiffs in the above-captioned matter. I submit this supplemental declaration in support of Class Plaintiffs' Reply to McKesson's Response to the Court's Inquiries at the November 13, 2007 Hearing on Class Certification Issues.

2. Attached hereto as Exhibit A is a true and correct copy of two letters received by a TPP that has Express Scripts, Inc. as its PBM. We just received these letters from the TPP, whose name has been redacted from the letters.

I certify under penalty of perjury that the foregoing is true and correct.

Executed this 5th day of December, 2007.

/s/ Steve W. Berman

STEVE W. BERMAN

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the above document was served upon the attorney of record for each other party through the Court's electronic filing service on December 5, 2007.

/s/ Steve W. Berman

Steve W. Berman

Exhibit A

October 8, 2007

Name Redacted

Re: Prescription Drug Program Agreement; Pricing Benchmark Amendment

Dear Redacted:

Due to the well publicized court settlement underway regarding the use of AWP Pricing/Benchmarks as a basis for pharmaceutical pricing, the pricing indices used for our Agreement may change due to factors outside the control ESI, our clients and others in the pharmacy industry that relied on AWP as an independent and stable pricing benchmark. In order to maintain the stability of the network, pricing and member services, it may be necessary to change the calculation of the AWP discount or transition to another more reliable benchmark. In addition, our agreement incorporates the concept that if there is change caused by a law or court that materially changes a term or condition of the agreement, we have the right to discuss with you a modification in order to bring the contract back into its intended scope. This letter is intended to confirm our agreement on the steps necessary to maintain pricing stability as intended and not to advantage either party to the detriment of the other.

More specifically, effective as of October 8, 2007 if ESI (i) maintains AWP as the pricing index with an appropriate adjustment in the event the AWP methodology and/or its calculation is changed, whether by the existing or alternative sources; and/or (iii) transitions the pricing index from AWP to another index or benchmark (e.g., to Wholesale Acquisition Cost), Participating Pharmacy, CuraScript and Mail Service Pharmacy rates, rebates and guarantees, as applicable, will be modified as reasonably and equitably necessary to maintain each parties' relative economics before such change is effective. **Should ESI undertake any of the above, any changes would have the effect of bringing the parties back to the intended economic position ("price neutrality") under the Agreement such as not to advantage either party to the detriment of the other.** ESI engaged the services of Milliman, an independent nationally recognized actuarial firm to review, validate, and attest to the reasonableness and accuracy of the ESI price neutrality logic and methodology across our entire book of business. Milliman provided attestation that our methodology for establish cost neutral adjusted contract discount rates were an appropriate method for calculation a price neutral adjustment.

If any of the above occurs, ESI will provide you with at least ninety (90) days notice of the change (or as much notice as is reasonable under the circumstances). The amount of time between notification to you and the effective date of change is dependent on the court's decision and how much time is provided to those in the industry. ***We are preparing to send notice to our client's within seven (7) to ten (10) business days following final notification of the terms of the settlement. If the time between the court's decision and effective date of change is longer than 90 days (less 7 to 10 days internal processing time) we will provider greater than 90 days notice. Both parties agree that ESI will contact [redacted] immediately following the mailing of the notification letter to discuss the notification, financial illustration and any impact to [redacted].***

Please indicate your agreement with this arrangement by signing below and kindly returning an executed copy, at your earliest convenience, to Ellen Wynne at the address below. Please keep a copy for your records.

We appreciate your confidence in our company and will continually strive to be an excellent provider of healthcare management services. If you have any questions, please contact me directly at 973-683-3051.

Sincerely,

Andrew Glade
ESI Account Director

Accepted and agreed to as of October 8, 2007

[redacted]

By-Signature: _____

Printed Name: _____

Title: _____

Mail this executed document to: Ellen Wynne
Client Contracting
Express Scripts, Inc.
One Express Way, HQ1W01
St. Louis, MO 63121



EXPRESS SCRIPTS®

Labor Division

June 25, 2007

REDACTED

A few weeks ago Andy Glade spoke to the OLR-MLC regarding the recent Average Wholesale Price (AWP) litigation/proposed settlement. He also provided a letter amending your current agreement for your review. I would like to provide an update as well as the reasons we are recommending signing this amendment.

For decades, AWP has been the benchmark for pharmacy reimbursement. The potential settlement of a class action lawsuit in Massachusetts against First DataBank (FDB), the leading supplier of AWP, may result in First DataBank stopping its publication of AWP. On June 6, 2007, the judge updated her previous preliminary approval, setting November 14, 2007, as the date for a final approval hearing. On May 22, 2007, Medispan, the other major supplier of AWP, agreed to a settlement essentially identical to the FDB settlement.

This litigation, which forces changes to the pricing components of contracts, has the potential to hamper the distribution of medicines in the short term until supply chain issues and contractual uncertainties are resolved. A change in the AWP discount or transition to another more reliable benchmark may be necessary to maintain network stability, pricing and member services.

To address this potential disruption, we are simply recommending for you to agree to an approach that permits flexibility for both of us to respond to this uncertainty to:

1. **Ensure stability of the pharmacy network to avoid disruption to members using the benefit.**
2. **Maintain pricing stability so as not to advantage either or Express Scripts (cost neutral).**

We will provide you with at least 90 days notice of any change (or as much notice as possible under the circumstances) and written illustration of the financial impact of the pricing source or index change to demonstrate cost neutrality.

Our goal is to have no disruption in member service and maintain the pricing intent of our current agreement.

I hope this provides some clarity to this very complex issue. Please let me know if there is additional information Andy or I can provide.

Thank you.

Sincerely,



Marilyn J. Gordon, R.Ph., M.S.
Vice President Account & Clinical Program Management
Express Scripts
Labor Division

MG:PC
Attachments

CC:

REDACTED

REDACTED

Re: Prescription Drug Program Agreement; Pricing Benchmark Amendment

Due to the well publicized court settlement underway regarding the use of AWP Pricing/Benchmarks as a basis for pharmaceutical pricing, the pricing indices used for our Agreement may change due to factors outside the control ESI, our clients and others in the pharmacy industry that relied on AWP as an independent and stable pricing benchmark. In order to maintain the stability of the network, pricing and member services, it may be necessary to change the calculation of the AWP discount or transition to another more reliable benchmark. In addition, our agreement incorporates the concept that if there is change caused by a law or court that materially changes a term or condition of the agreement, we have the right to discuss with you a modification in order to bring the contract back into its intended scope. This letter is intended to confirm our agreement on the steps necessary to maintain pricing stability as intended and not to advantage either party to the detriment of the other.

Therefore, should a change occur, ESI plans to provide as much notice as we can, along with written, financial illustrations demonstrating the price impact of the drug file source or index change (e.g., specific drug examples. More specifically, effective as of June 22, 2007, if ESI (i) changes the AWP source across its book of business (e.g., from First DataBank to MediSpan); (ii) maintains AWP as the pricing index with an appropriate adjustment as described below, in the event the AWP methodology and/or its calculation is changed, whether by the existing or alternative sources; and/or (iii) transitions the pricing index from AWP to another index or benchmark (e.g., to Wholesale Acquisition Cost), Participating Pharmacy, CuraScript and Mail Service Pharmacy rates, rebates and guarantees, as applicable, will be modified as reasonably and equitably necessary to maintain the pricing intent under the Agreement.

If any of the above occurs, ESI will provide you with at least ninety (90) days notice of the change (or as much notice as is reasonable under the circumstances), and written illustration of the financial impact of the pricing source or index change (e.g., specific drug examples). If you dispute the illustration or the financial impact of the pricing source, we agree to cooperate in good faith to resolve the dispute.

Please indicate your agreement with this arrangement by signing below and kindly returning an executed copy, at your earliest convenience, to Ellen Wynne at the address below. Please keep a copy for your records.

We appreciate your confidence in our company and will continually strive to be an excellent provider of healthcare management services. If you have any questions, please contact me directly at 973-526-5729.

Sincerely,

Andrew Glade
ESI Account Director

Accepted and agreed to as of June 22, 2007

REDACTED

**Review of Express Scripts'
AWP Re-Contracting Process**

Presented By

Milliman, Inc.

**William M. Pollock, F.S.A., M.A.A.A.
Consulting Actuary**

**Brett L. Swanson, F.S.A., M.A.A.A.
Actuary**

April 18, 2007



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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Introduction

Express Scripts, Inc. (ESI) engaged Milliman, Inc. to review a process it plans to implement for its PBM customers to modify its ingredient cost discounts for prescription drugs as a result of a potential change to Average Wholesale Price (AWP).

A recent court ruling suggests that First DataBank is likely to make special one-time modifications to its published Blue Book AWP. Milliman has reviewed the methodology that will be used by ESI to establish a cost neutral adjustment to PBM customer contract rates as a result of this AWP modification. For most brand drugs and some generic drugs, First DataBank's published AWP prices will likely be reduced.

ESI intends to concurrently reduce its AWP discounts for brand and generic drugs in such a manner that if / when First DataBank's special adjustment occurs and AWP prices for drugs are reduced, the combined change is cost neutral¹ to ESI's PBM customers.

The following paragraphs outline the methodology to achieve this cost neutral¹ adjustment and Milliman's opinion of the outlined process.

Executive Summary

Milliman reviewed ESI's method for making the potential AWP price adjustment by First DataBank cost neutral to ESI's PBM customers. In summary, the method:

1. Reviews the customer's detailed claims experience for a recent 12-month period.
2. Compares historical AWP costs to customer's discounted ingredient costs through ESI. Note: Only claims that adjudicated under the discounted AWP pricing terms in the customer's contract are included in this process.
3. Adjusts the customer's historical AWP costs the same way First DataBank expects its AWP prices to change at the time of the special adjustment.
4. Determines AWP discounts that would re-produce the customer's actual discounted ingredient costs. These become the customer's adjusted AWP discounts that will take effect when the special AWP adjustment occurs.

We believe the process is an appropriate method for estimating new AWP discounts that, when implemented at the time of the special First DataBank adjustment, will be cost neutral¹ to ESI's customers.

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

In quantifying the potential for error in determining cost neutral¹ adjustments, we relied on information provided by ESI. We have not audited or verified the information for accuracy or consistency. If the information is inaccurate or incomplete, our conclusions may likewise be inaccurate or incomplete. A data reliance letter from ESI is attached to the report as Appendix A.

This report deals with the way ESI provides discounted pharmacy reimbursement to its pharmacy benefit management (PBM) customers. An analysis of contractual changes between ESI and its participating pharmacies is beyond the scope of this report.

This report should be read in its entirety to understand the scope of our review. Milliman recommends that any recipient be aided by its own qualified professional when reviewing this report.

Background

Generally speaking, PBMs bill their customers for pharmaceutical products and related administrative services in three components: ingredient costs (and applicable sales tax), dispensing fees, and administrative charges. The focus of this report is ingredient costs, as this is the only component impacted by the upcoming change in AWP prices.

PBMs typically determine ingredient costs one of four ways:

- ◆ As a percentage of a published price (typically AWP) by specific product code (National Drug Code or NDC)
- ◆ According to a reimbursement schedule for groups of like drug products
- ◆ At the pharmacy's usual and customary (U&C) price for that specific product, if lower
- ◆ Equal to the member copay, if greater

Prescription drugs fit into one of four categories — generic, single-source brand, multi-source brand, and specialty.

Generic drugs are prescription drugs that are typically identified by their chemical name. When the patent has expired on a brand name drug, the FDA permits new manufacturers to create an equivalent of the brand name drug and make it available to the public.

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
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Generally, more than one manufacturer will create generic versions, although often the same pharmaceutical firm that produces the brand name drug also makes the generic version. This prompts competitive pricing of the generic version and usually results in a less expensive drug.

Brand name drugs are product names under which a drug is advertised and sold by the original manufacturer. Brand name drugs are divided into two groups: Multi-source drugs, which are available from more than one manufacturer and have equivalent generic versions available, and single-source drugs, which are only available from one manufacturer, are patent protected, and are generally more expensive.

Specialty drugs are a separate group of drugs (typically single-source brand drugs) that have the following characteristics:

- ◆ High cost, often biotechnology drugs, that target a small portion of the overall population,
- ◆ Require special handling and / or storage,
- ◆ Often take the form of an injection or infusion that is self administered or administered with the assistance of a healthcare professional,
- ◆ Generally target high cost conditions such as cancer, hemophilia, hepatitis C, HIV / AIDS, infertility, multiple sclerosis, and rheumatoid arthritis.

AWP is intended to represent an average of wholesalers' catalog or list prices for a drug product to their customers (i.e., retailers, hospitals, physicians and other buying entities). AWP is sometimes referred to as a "sticker price" because it is not the actual price that larger purchasers normally pay. There are multiple publishers of AWP. ESI uses Blue Book AWP as published by First DataBank.

An AWP exists for almost all NDCs. An NDC defines a specific labeler (manufacturer, repacker, or distributor), product, form, strength, and package size. A single product name typically is associated with multiple, perhaps dozens, of unique NDCs. AWP prices are updated daily by First DataBank and do not vary by geographical area.

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Typically, ESI's contracts include separate discount provisions depending on the type of drug and the type of pharmacy, with separate provisions for the following drug / pharmacy combinations:

- ◆ Brand drugs supplied by a retail pharmacy
- ◆ Brand drugs supplied by a mail order pharmacy
- ◆ Generic drugs supplied by a retail pharmacy
- ◆ Generic drugs supplied by a mail order pharmacy
- ◆ Specialty drugs supplied by a retail pharmacy
- ◆ Specialty drugs supplied by a mail order pharmacy

Most generic drug fills are charged according to a contracted Maximum Reimbursable Amount (MRA)/Maximum Allowable Cost (MAC) schedule, which lists different chemically equivalent generic drugs at a specified price per quantity. Therefore, most generic fills will not be affected by the First DataBank adjustment to AWP and are not directly relevant in the analysis. However, MRA/MAC drugs are relevant in determining overall generic discounts, when contracted. Ingredient costs for brand drugs, specialty drugs, as well as generic drugs not on ESI's MRA/MAC list are charged on a discount off AWP basis. For each drug type, typically U&C prices apply if lower but member copay can apply if higher.

Expected Adjustment to First DataBank's AWP Prices

As a result of recent litigation, First DataBank intends to make a material adjustment to its published Blue Book AWPs. First DataBank's tentative implementation date is August 15, 2007, although that date is subject to change.

For most brand drugs, AWP prices will be reduced 4%. Based on a sample analysis of 2006 experience with over 11 million fills, the following shows the estimated one-time reduction in AWP by type of fill:

- ◆ 4.0% for specialty drugs (98% of fills between 3% and 5%)
- ◆ 4.0% for non-specialty brand drugs (97% between 3% and 5%)
- ◆ 0.3% for non-MRA/MAC generic drugs (95% between 0% and 2%)

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Because the impact of this change is not uniform across all NDCs, the impact of this change on a specific ESI customer will vary depending on their drug spend distribution by NDC. Table 1 shows the degree of AWP change by group and drug / pharmacy combination for the 99 ESI groups underlying the sample data mentioned above.

Table 1 Express Scripts, Inc. Estimated Average Change¹ in AWP Prices by Group²		
Drug / Pharmacy Type	Mean	Std. Dev.
Retail Brand	(4.0)%	0.1%
Retail Generic - Non-MRA/MAC	(0.7)%	0.5%
Retail Specialty	(4.1)%	0.2%
Mail Brand	(4.0)%	0.1%
Mail Generic - Non-MRA/MAC	(0.0)%	0.1%
Mail Specialty ³	(3.8)%	0.7%
¹ Only reflects impact of upcoming one-time adjustment in First DataBank's Blue Book AWP		
² Based on analysis of 99 ESI groups; excludes claims not adjudicated according to AWP		
³ Mail Specialty includes CuraScript		

ESI's Process for Determining New AWP Discounts

Concurrent with First DataBank's special adjustment to AWP, ESI will change its basis for determining ingredient costs for (1) brand drugs, (2) specialty drugs, and (3) generic drugs not on the customer's ESI MRA/MAC list. The new discounts will be determined on a contract-specific basis using the customer's 12-month historical ingredient cost experience by NDC. No such ingredient cost adjustment will be made for drugs on its MRA/MAC list. Likewise, U&C provisions will not change. In the event the customer does not have a full 12 months of historical ingredient cost experience, then all available historical ingredient cost experience will be used.

The new AWP discounts will be determined in such a way that, when applied to First DataBank's revised AWP prices, the impact to the ESI contract holder would have been cost neutral in aggregate when compared to the old discounted AWP using the current contract holder discounts.

In making this determination, ESI will exclude claims where ingredient cost charges were determined either as (1) the pharmacy's U&C price or (2) the member copay.

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Illustrative Example

The following table provides an example to illustrate how ESI will determine each customer's cost neutral AWP discounts.

Table 2 Express Scripts, Inc. Illustration of New AWP Discount Determination							
	Current ESI AWP Discount	Calibration Period		Estimated Average Change in AWP ³	Adjusted to New AWP Basis		
		AWP Ingredient Costs ¹	Discounted AWP or MRA Ingredient Costs		AWP Ingredient Costs	New ESI AWP Discount	Discounted AWP or MRA Ingredient Costs
Retail Brand	14.00%	\$430,000	\$369,800	-4.0%	\$412,800	10.42%	\$369,800
Retail Generic - MRA/MAC ²	NA	\$135,000	\$67,500	0.0%	\$135,000	NA	\$67,500
Retail Generic - Non-MRA/MAC	14.00%	\$10,000	\$8,600	-0.7%	\$9,930	13.39%	\$8,600
Retail Specialty	13.00%	\$70,000	\$60,900	-4.1%	\$67,130	9.28%	\$60,900
Mail Brand	20.00%	\$270,000	\$216,000	-4.0%	\$259,200	16.67%	\$216,000
Mail Generic - MRA/MAC ²	NA	\$15,000	\$7,500	0.0%	\$15,000	NA	\$7,500
Mail Generic - Non-MRA/MAC	20.00%	\$65,000	\$52,000	-0.0%	\$65,000	20.00%	\$52,000
Mail Specialty ⁴	15.00%	\$5,000	\$4,250	-3.8%	\$4,810	11.64%	\$4,250
Total		\$1,000,000	\$786,550		\$968,870		\$786,550

¹ Ignores claims for which ingredient costs determined by either (1) pharmacy's usual and customary charge or (2) member copay
² For illustration purposes, retail and mail MAC assumed equal to 50% of AWP in aggregate during calibration period
³ Calculated based on mix of drugs by NDC during calibration period
⁴ Mail Specialty includes CuraScript

Note that, as a result of the new AWP basis:

- ◆ AWP prices have been adjusted downward in aggregate; the exact impact will vary by group based on the group's drug mix
- ◆ AWP discounts have been adjusted to produce the same ingredient costs in aggregate
- ◆ Ingredient costs for MRA/MAC generic drugs do not change

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Potential for Error in ESI's Estimated Cost Neutral¹ Adjustments

The estimated results may differ from actual cost neutral adjustments with the benefit of hindsight because ESI is using customer-specific experience to estimate AWP discounts that will be cost neutral¹ *prospectively*. This limitation is inherent in the process, due to changing drug mix over time. To test the potential for error, we used the 2005 experience of 99 ESI groups by NDC to predict the change in the group's AWP levels, and then compared the results to similar results using each group's 2006 spend by NDC. Table 3 summarizes the results.

Table 3 Express Scripts, Inc. Ratio of Predicted Impact of Change in AWP Prices Actual 2006 Experience vs. Predicted 2006 Based on 2005 Experience		
Drug / Pharmacy Type	Mean	Std. Dev.
Retail Brand ¹	1.0000	.0006
Retail Generic - Non-MRA/MAC ¹	1.0010	.0056
Retail Specialty ¹	1.0002	.0010
Mail Brand ¹	1.0000	.0008
Mail Generic - Non-MRA/MAC ¹	1.0000	.0004
Mail Specialty ^{1, 3}	1.0022	.0079
Total ²	1.0001	.0002
¹ Based on analysis of 99 ESI groups; excludes claims not adjudicated as discount off of AWP		
² Includes drugs where the ingredient cost will not be impacted by the change in AWP		
³ Mail Specialty includes CuraScript		

A mean ratio of 1.0000 indicates the 2005 mix of drugs by NDC accurately forecasted the impact of the one-time AWP change on 2006 fills; a ratio below 1.0000 indicates that the impact in 2006 was greater than predicted using 2005 data (i.e., impact greater than predicted means the plan sponsor's cost would *decrease* as a result), conversely a ratio above 1.0000 indicates that the impact was less than predicted (i.e., impact less than predicted means the plan sponsor's cost would *increase* as a result). A deviation of .0001 in the mean from 1.0000 translates to \$100 on \$1,000,000 in spend. The standard deviation column indicates the degree of predictive power on a group-specific basis where a value of .0000 indicates perfect predictive power.

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

In summary, Table 3 suggests the method is precise for brand, generic, and specialty drugs.

Caveats

As discussed above, any attempt to determine cost neutral terms must be recognized as an estimate, and as such, will be subject to estimation error. We believe ESI's method for determining cost neutral¹ contract terms is reasonable and appropriate.

We have reviewed ESI's conceptual process for estimating new AWP discounts that will be cost neutral¹ to its PBM customers. We have not audited actual customer results or reviewed the software ESI will use to determine these cost neutral discounts on a customer-specific basis.

We make no judgment on the appropriateness of ESI's current discounts or its goal of cost neutrality. However, we believe the model is a reasonable and appropriate method for determining new cost neutral¹ AWP discounts.

¹ Expected to neither increase nor decrease the ingredient costs charged to the customer by ESI

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Express Scripts, Inc.
Review of AWP Re-Contracting Process

Appendix A

April 18, 2007

MILLIMAN



March 30, 2007

To: Milliman, Inc.
15800 Bluemound Road - Suite 400
Brookfield, WI 53005-6069


From: Jacob Cedergreen

Re: **Cost Neutrality Analysis**

I, Jacob Cedergreen, Senior Director, Strategic Pricing for Express Scripts, Inc., hereby affirm that the following information prepared and submitted to Milliman, Inc. was prepared under my direction, and to the best of my knowledge and belief is accurate and complete. This information includes:

1. A file containing current Average Wholesale Price (AWP) and Wholesale Acquisition Cost (WAC) values by National Drug Code (NDC). AWP prices represent First DataBank's published Blue Book AWP. All values are as of January 25, 2007.
2. At the time of the one-time adjustment, First DataBank's published AWP price will be set as 120% of the WAC price. For NDCs without a WAC price, no adjustment will occur.
3. A file containing 2005 and 2006 summary claim information by NDC for 99 ESI groups selected by ESI. Each summary claim record included the following information:
 - Group identifier
 - NDC
 - Number of fills
 - Total AWP
 - Generic indicator
 - Mail order pharmacy indicator
 - Specialty indicator
 - Ingredient cost paid basis (AWP, MRA/MAC, copay, etc.)
 - Ingredient cost paid

4. ESI will round the new cost neutral AWP discounts to the nearest hundredth of one percent (.01%).



Jacob Cedergreen

03/30/2007

Date